| 1                             | BEFORE THE BOARD OF OIL, GAS AND MINING                        |
|-------------------------------|--|
| 2                             | DEPARTMENT OF NATURAL RESOURCES                                |
| 3                             | IN AND FOR THE STATE OF UTAH                                   |
| 4                             | 00000  |
| 5                             | IN THE MATTER OF FORMAL )                                      |
| 6                             | RULEMAKING TO REPEAL THE OIL ) AND GAS RULE R649-4:            |
| 7                             | DETERMINATION OF WELL ) CATEGORIES UNDER THE NGPA OF ) 1978. ) |
| 8                             |  |
| 9                             | DOCKET NO. 2010-023, CAUSE NO. RO&G-2010-02                    |
| 10                            | TAKEN AT: Uintah Basin Applied Technology College              |
| 11                            | Multipurpose Room  |
| 12                            | 1100 East Lagoon Street<br>Roosevelt, Utah                     |
| 13                            | DATE: September 22, 2010 TIME: 9:40 a.m. to 9:42 a.m.          |
| 14                            |  |
| 15                            | REPORTED BY: Emily A. Gibb, RPR, CSR                           |
| 16                            | ATKINSON-BAKER, INC.   |
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| 1   | APPEARANCES  |
|---|--|
| 2 CHAIRMAN:   |  |
| 3   | Douglas E. Johnson   |
| 4   | BOARD MEMBERS:   |
| Ruland J. Gill, Jr. (Excused)  Jake Y. Harouny James T. Jensen  Kelly Payne (Excused)   | Jake Y. Harouny  |
|   | Kelly Payne (Excused)  |
| 7   | Samuel C. Quigley<br>Jean Semborski  |
| 8   |  |
| DIVISION OF OIL, GAS AND MINING:  John R. Baza, Director  Dana Dean, Associate Director, Mining (Excused Jim Springer, Public Information Officer | John R. Baza, Director   |
|   | Jim Springer, Public Information Officer   |
| 11  | Steve Schneider, Administrative Policy Coordinator<br>Julie Ann Carter, Secretary to the Board |
| 12  | ASSISTANT ATTORNEYS GENERAL:   |
| 13  | Fred Donaldson - Division Attorney Michael S. Johnson - Board Attorney                         |
| 14  | Michael 3. Johnson - Board Accorney  |
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Docket No. 2010-023 Cause No. RO&G-2010-02 1 Wednesday, September 22, 2010 2 3 (The proceedings began at 9:40 a.m.) 4 5 CHAIRMAN JOHNSON: Okay. We'll go on the 6 record. Welcome everybody to the September 2010 7 hearing of the Utah Board of Oil, Gas and Mining. The first docketed matter we have this 8 9 morning is Docket No. 2010-023, 10 Cause No. RO&G-2010-02, in the Matter of Formal 11 Rulemaking to Repeal the Oil and Gas Rule R649-4: 12 Determination of Well Categories Under the NGPA of 13 1978. Mr. Donaldson? 14 15 MR. DONALDSON: Yeah. Fred Donaldson on 16 behalf of the Division. Just want to have Steve Schneider on behalf of the Division address this 17 18 matter. 19 CHAIRMAN JOHNSON: Okay. 20 MR. SCHNEIDER: Steve Schneider with the 21 Division of Oil, Gas and Mining. The Division filed 22 this petition a couple of months ago to repeal Rule 23 R649-4. The board heard this matter last month at 24 the August hearing in Salt Lake City. The board did 25 approve the Division to pursue, continue with the

formal rulemaking process. So the Division did file the matter with Division of Administrative Rules.

The public comment period started

September 15, runs through October 15. And just the brief bit of background on this. The reason why we desire to repeal the rule is because this is a law that relates to the Natural Gas Policy Act of 1978.

We do not expect any further applications to come to the division or board on this matter. The federal energy regulatory commission no longer accepts state docketed matters in this area. So simply, it's a rule that's ready for repeal.

So with that, today is an opportunity for public comment and has been so noticed, not only by the board, but in the state bulletin for people to comment if they wish.

CHAIRMAN JOHNSON: Okay. So is there anyone present who would like to address this matter with the board for public comment?

Seeing none, we don't need to take any action today, Steve.

MR. SCHNEIDER: No, and then you'll hear it next month for final vote.

CHAIRMAN JOHNSON: Okay. Thank you very much.

| 1  | REPORTER'S CERTIFICATE                                |
|----|---|
| 2  | STATE OF UTAH )                                       |
| 3  | COUNTY OF UTAH )                                      |
| 4  |   |
| 5  | I, Emily A. Gibb, a Certified Shorthand               |
| 6  | Reporter and Registered Professional Reporter, hereby |
| 7  | certify:  |
| 8  | THAT the foregoing proceedings were taken             |
| 9  | before me at the time and place set forth in the      |
| 10 | caption hereof; that the witness was placed under     |
| 11 | oath to tell the truth, the whole truth, and nothing  |
| 12 | but the truth; that the proceedings were taken down   |
| 13 | by me in shorthand and thereafter my notes were       |
| 14 | transcribed through computer-aided transcription; and |
| 15 | the foregoing transcript constitutes a full, true,    |
| 16 | and accurate record of such testimony adduced and     |
| 17 | oral proceedings had, and of the whole thereof.       |
| 18 | I have subscribed my name on this 3rd day of          |
| 19 | October, 2010.  |
| 20 |   |
| 21 | Emily A. Gibb, RPR, CSR                               |
| 22 | Emily II. GIBB, KIK, CSK                              |
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